LEGISLATIVE SERVICES AGENCY

OFFICE OF FISCAL AND MANAGEMENT ANALYSIS

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FISCAL IMPACT STATEMENT

LS 6180 NOTE PREPARED: Nov 15, 2011

BILL NUMBER: HB 1031 BILL AMENDED:

SUBJECT: Tobacco Self-Service Displays.

FIRST AUTHOR: Rep. Cherry BILL STATUS: As Introduced

FIRST SPONSOR:

FUNDS AFFECTED: X GENERAL IMPACT: State & Local

X DEDICATED FEDERAL

<u>Summary of Legislation:</u> The bill allows a retail establishment to sell or distribute cigars and pipe tobacco through a self-service display. (Current law provides that the owner of a retail establishment that sells or distributes tobacco products through a self-service display commits a Class C infraction.)

Effective Date: Upon passage.

Explanation of State Expenditures:

Explanation of State Revenues: The bill could have an negligible impact on the state General Fund and court fees received by exempting cigars and pipe tobacco from the Class C infraction for selling tobacco products from self-service displays. There are no data available to indicate the average annual number of infractions for this offense but it is assumed to be minor.

The maximum judgment for a Class C infraction is \$500, which is deposited in the state General Fund.

When court actions are filed and a judgment is entered, a court fee of \$70 would be assessed, 70% of which would be deposited in the state General Fund if the case is filed in a court of record or 55% if the case is filed in a city or town court. In addition, some or all of the document storage fee (\$2), automated record keeping fee (\$5), judicial salaries fee (\$19), the public defense administration fee (\$5), the court administration fee (\$5), and the judicial insurance adjustment fee (\$1) are deposited into the state General Fund.

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Explanation of Local Expenditures:

Explanation of Local Revenues: Local governments receive revenue from the following sources when actions are filed and judgements are entered. The county general fund receives 27% of the \$70 court fee that is assessed in a court of record. Cities and towns maintaining a law enforcement agency that prosecutes at least 50% of its ordinance violations in a court of record may receive 3% of court fees. If the case is filed in a city or town court, 20% of the court fee would be deposited in the county general fund and 25% would be deposited in the city or town general fund. Additional fees may be collected at the discretion of the judge and depending upon the particular type of case.

State Agencies Affected:

Local Agencies Affected: Trial courts, local law enforcement agencies.

Information Sources:

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